

**REPORT OF THE AUDITOR OF PUBLIC ACCOUNTS  
AGREED-UPON PROCEDURES ENGAGEMENT  
OF THE  
FORMER OWEN COUNTY  
PROPERTY VALUATION ADMINISTRATOR**

**For The Period December 1, 2005  
Through November 30, 2006**



**CRIT LUALLEN  
AUDITOR OF PUBLIC ACCOUNTS  
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**CRIT LUALLEN**  
**AUDITOR OF PUBLIC ACCOUNTS**

Independent Accountant's Report

John R. Farris, Secretary, Finance and Administration Cabinet  
The Honorable Lee N. Cochran,  
Former Owen County Property Valuation Administrator  
The Honorable Jimmy Coyle,  
Owen County Property Valuation Administrator  
Owenton, Kentucky 40359

We have performed the procedures enumerated below, which were agreed to by the former Owen County Property Valuation Administrator (PVA), solely to assist you with the accountability for statutory contribution receipts and disbursements, including capital outlay disbursements, city government receipts, recordkeeping, and leases and contracts for the period December 1, 2005 through November 30, 2006. This engagement to apply agreed-upon procedures was performed in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of the procedures is solely the responsibility of the former Owen County PVA. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Our procedures and findings are as follows:

1. Procedure -

Determine if the PVA has a receipts ledger, a disbursements ledger, and reconciles bank records to books each month. Re-perform the year-end bank reconciliation (November 30, 2006), for all bank accounts, to determine if amounts are accurate.

Finding -

PVA maintains a receipts and disbursements ledger. Bank records are reconciled to the ledger monthly. Due to the timing, auditor was unable to re-perform year-end bank reconciliation; however auditor re-performed the October 31, 2006, bank reconciliation and amounts were determined to be accurate.

2. Procedure -

Confirm any and all payments by the city to the PVA. Compare recorded city receipts to confirmed payment amounts obtained from city governments. Also review the list of city receipts for completeness.

Finding -

Recorded city receipts agreed with the confirmations. List of cities appeared complete.



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(Continued)

3. Procedure -

Confirm any and all payments made by the fiscal court to the PVA. Compare the budgeted statutory contribution by fiscal court to the legally required amounts calculated by the Department of Revenue. Trace the fiscal court payments from the fiscal court statutory contribution budget account to the PVA's local bank account.

Finding -

The budgeted statutory contribution by fiscal court agreed to the required amount calculated by Department of Revenue. Payments from the fiscal court traced to the PVA's local bank account.

4. Procedure -

Judgmentally select 15 disbursements from PVA records and agree amounts to cancelled checks, paid invoices or other supporting documentation. Determine if the expenditure is for official business. Review all credit card statements (if any) to determine if expenditures are for official business.

Finding -

Selected disbursements traced to the supporting documentation, except for one disbursement, which was \$27.55 more than the invoice. All expenditures appeared to be for official business. PVA office had no credit cards.

5. Procedure -

Compare capital outlay disbursements with cancelled checks, supporting documentation, and proper purchasing procedures. Verify the location of newly acquired assets. Determine if assets were added to the PVA's Capital Asset Inventory List.

Finding -

There were no capital outlay disbursements during this time period

6. Procedure -

Scan vehicle lease agreements, personal service contracts, and professional service contracts for cost schedules and compare to actual payments. Determine if services received were appropriate, for official business, and properly authorized.

Finding -

There were no vehicle lease agreements, personal service contracts, or professional service contracts during time period.

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(Continued)

7. Procedure -

Compare PVA's final budget to actual expenditures to determine if PVA overspent in any account series.

Finding -

Auditor compared June 30, 2006, budget to actual expenditures and the PVA did not overspend any account series.

8. Procedure -

Determine whether collateral is necessary for the PVA's funds. If necessary determine if the PVA was sufficiently collateralized for the year and if a collateral agreement exists.

Finding -

No collateral was necessary as the bank account did not reach \$100,000 at any time.

9. Procedure -

Determine whether timesheets are completed, maintained, and support hours worked.

Finding -

It appears that timesheets are properly completed, maintained, and support hours worked.

10. Procedure -

Determine whether cash balances were properly transferred from former PVA to new PVA.

Finding -

Cash balances were properly transferred from former PVA to new PVA

We were not engaged to, and did not perform an examination, the objective of which would be the expression of an opinion on the receipts and disbursements, including capital outlay disbursements, city government receipts, recordkeeping, and leases and contracts. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

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(Continued)

This report is intended solely for the information and use of the Property Valuation Administrator and the Department of Revenue and is not intended to be and should not be used by anyone other than these specified parties.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Crit Luallen", with a long horizontal flourish extending to the right.

Crit Luallen  
Auditor of Public Accounts

Engagement fieldwork completed -  
December

1,

2006

